UNITED STATES DISTRICT COURT DISTRICT OF MASSACHUSETTS

| UNITED STATES OF AMERICA |] | |
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| v. |] | No. 05-CR-30042-MLW |
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| CESAR CRUZ and | į | |
| RICARDO DIAZ | ī | |

STATUS REPORT REGARDING POTENTIAL CHANGE OF PLEA

In paragraph 7 of its order of October 30, 2006, the Court ordered the parties to report by November 10, 2006, on the status of plea negotiations.

As of this date the parties do not know if the case will be resolved short of trial. The government is in active discussions with counsel for Cesar Cruz, and there has been progress. As to Ricardo Diaz, his decision on whether to plead guilty may in part depend on whether Mr. Cruz chooses to do so.

Respectfully submitted,

MICHAEL J. SULLIVAN CESAR CRUZ RICARDO DIAZ United States Attorney Defendant Defendant

By: /s/ Andrew Lelling /s/ Joseph Franco /s/ Terry Nagel
Andrew Lelling Joseph Franco, Esq. Terry Nagel, Esq.
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Assistant U.S. Attorneys

Date: November 9, 2006